



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB1512

Introduced 2/6/2015, by Rep. Reginald Phillips

SYNOPSIS AS INTRODUCED:

20 ILCS 3960/3	from Ch. 111 1/2, par. 1153
20 ILCS 3960/5.4	
20 ILCS 3960/12	from Ch. 111 1/2, par. 1162
20 ILCS 3960/13	from Ch. 111 1/2, par. 1163
20 ILCS 3960/14.1	
210 ILCS 45/3-102.2	
210 ILCS 45/3-103	from Ch. 111 1/2, par. 4153-103

Amends the Health Facilities Planning Act. Removes nursing homes from the requirements of the Act and the authority of the Health Facilities and Services Review Board. Makes conforming changes in the Nursing Home Care Act.

LRB099 06858 JLK 26936 b

1 AN ACT concerning State government.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Health Facilities Planning Act is
5 amended by changing Sections 3, 5.4, 12, 13, and 14.1 as
6 follows:

7 (20 ILCS 3960/3) (from Ch. 111 1/2, par. 1153)

8 (Section scheduled to be repealed on December 31, 2019)

9 Sec. 3. Definitions. As used in this Act:

10 "Health care facilities" means and includes the following
11 facilities, organizations, and related persons:

12 (1) An ambulatory surgical treatment center required
13 to be licensed pursuant to the Ambulatory Surgical
14 Treatment Center Act.

15 (2) An institution, place, building, or agency
16 required to be licensed pursuant to the Hospital Licensing
17 Act.

18 (3) (Blank). ~~Skilled and intermediate long term care~~
19 ~~facilities licensed under the Nursing Home Care Act.~~

20 ~~(A) If a demonstration project under the Nursing~~
21 ~~Home Care Act applies for a certificate of need to~~
22 ~~convert to a nursing facility, it shall meet the~~
23 ~~licensure and certificate of need requirements in~~

1 ~~effect as of the date of application.~~

2 ~~(B) Except as provided in item (A) of this~~
3 ~~subsection, this Act does not apply to facilities~~
4 ~~granted waivers under Section 3-102.2 of the Nursing~~
5 ~~Home Care Act.~~

6 (3.5) Skilled and intermediate care facilities
7 licensed under the ID/DD Community Care Act. ~~(A)~~ No permit
8 or exemption is required for a facility licensed under the
9 ID/DD Community Care Act prior to the reduction of the
10 number of beds at a facility. If there is a total reduction
11 of beds at a facility licensed under the ID/DD Community
12 Care Act, this is a discontinuation or closure of the
13 facility. If a facility licensed under the ID/DD Community
14 Care Act reduces the number of beds or discontinues the
15 facility, that facility must notify the Board as provided
16 in Section 14.1 of this Act.

17 (3.7) Facilities licensed under the Specialized Mental
18 Health Rehabilitation Act of 2013.

19 (4) Hospitals, ~~nursing homes,~~ ambulatory surgical
20 treatment centers, or kidney disease treatment centers
21 maintained by the State or any department or agency
22 thereof.

23 (5) Kidney disease treatment centers, including a
24 free-standing hemodialysis unit required to be licensed
25 under the End Stage Renal Disease Facility Act.

26 (A) This Act does not apply to a dialysis facility

1 that provides only dialysis training, support, and
2 related services to individuals with end stage renal
3 disease who have elected to receive home dialysis.

4 (B) This Act does not apply to a dialysis unit
5 located in a licensed nursing home that offers or
6 provides dialysis-related services to residents with
7 end stage renal disease who have elected to receive
8 home dialysis within the nursing home.

9 (C) The Board, however, may require dialysis
10 facilities ~~and licensed nursing homes~~ under item ~~items~~
11 (A) ~~and (B)~~ of this subsection to report statistical
12 information on a quarterly basis to the Board to be
13 used by the Board to conduct analyses on the need for
14 proposed kidney disease treatment centers.

15 (6) An institution, place, building, or room used for
16 the performance of outpatient surgical procedures that is
17 leased, owned, or operated by or on behalf of an
18 out-of-state facility.

19 (7) An institution, place, building, or room used for
20 provision of a health care category of service, including,
21 but not limited to, cardiac catheterization and open heart
22 surgery.

23 (8) An institution, place, building, or room housing
24 major medical equipment used in the direct clinical
25 diagnosis or treatment of patients, and whose project cost
26 is in excess of the capital expenditure minimum.

1 "Health care facilities" does not include the following
2 entities or facility transactions:

3 (1) Federally-owned facilities.

4 (2) Facilities used solely for healing by prayer or
5 spiritual means.

6 (3) An existing facility located on any campus facility
7 as defined in Section 5-5.8b of the Illinois Public Aid
8 Code, provided that the campus facility encompasses 30 or
9 more contiguous acres and that the new or renovated
10 facility is intended for use by a licensed residential
11 facility.

12 (4) Facilities licensed under the Supportive
13 Residences Licensing Act or the Assisted Living and Shared
14 Housing Act.

15 (5) Facilities designated as supportive living
16 facilities that are in good standing with the program
17 established under Section 5-5.01a of the Illinois Public
18 Aid Code.

19 (6) Facilities established and operating under the
20 Alternative Health Care Delivery Act as a children's
21 community-based health care center ~~children's respite care~~
22 ~~center~~ alternative health care model demonstration program
23 or as an Alzheimer's Disease Management Center alternative
24 health care model demonstration program.

25 (7) The closure of an entity or a portion of an entity
26 licensed under ~~the Nursing Home Care Act,~~ the Specialized

1 Mental Health Rehabilitation Act of 2013, or the ID/DD
2 Community Care Act, with the exception of facilities
3 operated by a county or Illinois Veterans Homes, that elect
4 to convert, in whole or in part, to an assisted living or
5 shared housing establishment licensed under the Assisted
6 Living and Shared Housing Act and with the exception of a
7 facility licensed under the Specialized Mental Health
8 Rehabilitation Act of 2013 in connection with a proposal to
9 close a facility and re-establish the facility in another
10 location.

11 (8) Any change of ownership of a health care ~~healthcare~~
12 facility that is licensed under ~~the Nursing Home Care Act,~~
13 the Specialized Mental Health Rehabilitation Act of 2013,
14 or the ID/DD Community Care Act, with the exception of
15 facilities operated by a county or Illinois Veterans Homes.
16 ~~Changes of ownership of facilities licensed under the~~
17 ~~Nursing Home Care Act must meet the requirements set forth~~
18 ~~in Sections 3 101 through 3 119 of the Nursing Home Care~~
19 ~~Act. children's community based health care center of 2013~~
20 ~~and with the exception of a facility licensed under the~~
21 ~~Specialized Mental Health Rehabilitation Act of 2013 in~~
22 ~~connection with a proposal to close a facility and~~
23 ~~re-establish the facility in another location of 2013~~

24 With the exception of those health care facilities
25 specifically included in this Section, nothing in this Act
26 shall be intended to include facilities operated as a part of

1 the practice of a physician or other licensed health care
2 professional, whether practicing in his individual capacity or
3 within the legal structure of any partnership, medical or
4 professional corporation, or unincorporated medical or
5 professional group. Further, this Act shall not apply to
6 physicians or other licensed health care professional's
7 practices where such practices are carried out in a portion of
8 a health care facility under contract with such health care
9 facility by a physician or by other licensed health care
10 professionals, whether practicing in his individual capacity
11 or within the legal structure of any partnership, medical or
12 professional corporation, or unincorporated medical or
13 professional groups, unless the entity constructs, modifies,
14 or establishes a health care facility as specifically defined
15 in this Section. This Act shall apply to construction or
16 modification and to establishment by such health care facility
17 of such contracted portion which is subject to facility
18 licensing requirements, irrespective of the party responsible
19 for such action or attendant financial obligation.

20 "Person" means any one or more natural persons, legal
21 entities, governmental bodies other than federal, or any
22 combination thereof.

23 "Consumer" means any person other than a person (a) whose
24 major occupation currently involves or whose official capacity
25 within the last 12 months has involved the providing,
26 administering or financing of any type of health care facility,

1 (b) who is engaged in health research or the teaching of
2 health, (c) who has a material financial interest in any
3 activity which involves the providing, administering or
4 financing of any type of health care facility, or (d) who is or
5 ever has been a member of the immediate family of the person
6 defined by (a), (b), or (c).

7 "State Board" or "Board" means the Health Facilities and
8 Services Review Board.

9 "Construction or modification" means the establishment,
10 erection, building, alteration, reconstruction, modernization,
11 improvement, extension, discontinuation, change of ownership,
12 of or by a health care facility, or the purchase or acquisition
13 by or through a health care facility of equipment or service
14 for diagnostic or therapeutic purposes or for facility
15 administration or operation, or any capital expenditure made by
16 or on behalf of a health care facility which exceeds the
17 capital expenditure minimum; however, any capital expenditure
18 made by or on behalf of a health care facility for (i) the
19 construction or modification of a facility licensed under the
20 Assisted Living and Shared Housing Act or (ii) a conversion
21 project undertaken in accordance with Section 30 of the Older
22 Adult Services Act shall be excluded from any obligations under
23 this Act.

24 "Establish" means the construction of a health care
25 facility or the replacement of an existing facility on another
26 site or the initiation of a category of service.

1 "Major medical equipment" means medical equipment which is
2 used for the provision of medical and other health services and
3 which costs in excess of the capital expenditure minimum,
4 except that such term does not include medical equipment
5 acquired by or on behalf of a clinical laboratory to provide
6 clinical laboratory services if the clinical laboratory is
7 independent of a physician's office and a hospital and it has
8 been determined under Title XVIII of the Social Security Act to
9 meet the requirements of paragraphs (10) and (11) of Section
10 1861(s) of such Act. In determining whether medical equipment
11 has a value in excess of the capital expenditure minimum, the
12 value of studies, surveys, designs, plans, working drawings,
13 specifications, and other activities essential to the
14 acquisition of such equipment shall be included.

15 "Capital Expenditure" means an expenditure: (A) made by or
16 on behalf of a health care facility (as such a facility is
17 defined in this Act); and (B) which under generally accepted
18 accounting principles is not properly chargeable as an expense
19 of operation and maintenance, or is made to obtain by lease or
20 comparable arrangement any facility or part thereof or any
21 equipment for a facility or part; and which exceeds the capital
22 expenditure minimum.

23 For the purpose of this paragraph, the cost of any studies,
24 surveys, designs, plans, working drawings, specifications, and
25 other activities essential to the acquisition, improvement,
26 expansion, or replacement of any plant or equipment with

1 respect to which an expenditure is made shall be included in
2 determining if such expenditure exceeds the capital
3 expenditures minimum. Unless otherwise interdependent, or
4 submitted as one project by the applicant, components of
5 construction or modification undertaken by means of a single
6 construction contract or financed through the issuance of a
7 single debt instrument shall not be grouped together as one
8 project. Donations of equipment or facilities to a health care
9 facility which if acquired directly by such facility would be
10 subject to review under this Act shall be considered capital
11 expenditures, and a transfer of equipment or facilities for
12 less than fair market value shall be considered a capital
13 expenditure for purposes of this Act if a transfer of the
14 equipment or facilities at fair market value would be subject
15 to review.

16 "Capital expenditure minimum" means \$11,500,000 for
17 projects by hospital applicants, ~~\$6,500,000 for applicants for~~
18 ~~projects related to skilled and intermediate care long term~~
19 ~~care facilities licensed under the Nursing Home Care Act,~~ and
20 \$3,000,000 for projects by all other applicants, which shall be
21 annually adjusted to reflect the increase in construction costs
22 due to inflation, for major medical equipment and for all other
23 capital expenditures.

24 "Non-clinical service area" means an area (i) for the
25 benefit of the patients, visitors, staff, or employees of a
26 health care facility and (ii) not directly related to the

1 diagnosis, treatment, or rehabilitation of persons receiving
2 services from the health care facility. "Non-clinical service
3 areas" include, but are not limited to, chapels; gift shops;
4 news stands; computer systems; tunnels, walkways, and
5 elevators; telephone systems; projects to comply with life
6 safety codes; educational facilities; student housing;
7 patient, employee, staff, and visitor dining areas;
8 administration and volunteer offices; modernization of
9 structural components (such as roof replacement and masonry
10 work); boiler repair or replacement; vehicle maintenance and
11 storage facilities; parking facilities; mechanical systems for
12 heating, ventilation, and air conditioning; loading docks; and
13 repair or replacement of carpeting, tile, wall coverings,
14 window coverings or treatments, or furniture. Solely for the
15 purpose of this definition, "non-clinical service area" does
16 not include health and fitness centers.

17 "Areawide" means a major area of the State delineated on a
18 geographic, demographic, and functional basis for health
19 planning and for health service and having within it one or
20 more local areas for health planning and health service. The
21 term "region", as contrasted with the term "subregion", and the
22 word "area" may be used synonymously with the term "areawide".

23 "Local" means a subarea of a delineated major area that on
24 a geographic, demographic, and functional basis may be
25 considered to be part of such major area. The term "subregion"
26 may be used synonymously with the term "local".

1 "Physician" means a person licensed to practice in
2 accordance with the Medical Practice Act of 1987, as amended.

3 "Licensed health care professional" means a person
4 licensed to practice a health profession under pertinent
5 licensing statutes of the State of Illinois.

6 "Director" means the Director of the Illinois Department of
7 Public Health.

8 "Agency" means the Illinois Department of Public Health.

9 "Alternative health care model" means a facility or program
10 authorized under the Alternative Health Care Delivery Act.

11 "Out-of-state facility" means a person that is both (i)
12 licensed as a hospital or as an ambulatory surgery center under
13 the laws of another state or that qualifies as a hospital or an
14 ambulatory surgery center under regulations adopted pursuant
15 to the Social Security Act and (ii) not licensed under the
16 Ambulatory Surgical Treatment Center Act, the Hospital
17 Licensing Act, or the Nursing Home Care Act. Affiliates of
18 out-of-state facilities shall be considered out-of-state
19 facilities. Affiliates of Illinois licensed health care
20 facilities 100% owned by an Illinois licensed health care
21 facility, its parent, or Illinois physicians licensed to
22 practice medicine in all its branches shall not be considered
23 out-of-state facilities. Nothing in this definition shall be
24 construed to include an office or any part of an office of a
25 physician licensed to practice medicine in all its branches in
26 Illinois that is not required to be licensed under the

1 Ambulatory Surgical Treatment Center Act.

2 "Change of ownership of a health care facility" means a
3 change in the person who has ownership or control of a health
4 care facility's physical plant and capital assets. A change in
5 ownership is indicated by the following transactions: sale,
6 transfer, acquisition, lease, change of sponsorship, or other
7 means of transferring control.

8 "Related person" means any person that: (i) is at least 50%
9 owned, directly or indirectly, by either the health care
10 facility or a person owning, directly or indirectly, at least
11 50% of the health care facility; or (ii) owns, directly or
12 indirectly, at least 50% of the health care facility.

13 "Charity care" means care provided by a health care
14 facility for which the provider does not expect to receive
15 payment from the patient or a third-party payer.

16 "Freestanding emergency center" means a facility subject
17 to licensure under Section 32.5 of the Emergency Medical
18 Services (EMS) Systems Act.

19 "Category of service" means a grouping by generic class of
20 various types or levels of support functions, equipment, care,
21 or treatment provided to patients or residents, including, but
22 not limited to, classes such as medical-surgical, pediatrics,
23 or cardiac catheterization. A category of service may include
24 subcategories or levels of care that identify a particular
25 degree or type of care within the category of service. Nothing
26 in this definition shall be construed to include the practice

1 of a physician or other licensed health care professional while
2 functioning in an office providing for the care, diagnosis, or
3 treatment of patients. A category of service that is subject to
4 the Board's jurisdiction must be designated in rules adopted by
5 the Board.

6 "State Board Staff Report" means the document that sets
7 forth the review and findings of the State Board staff, as
8 prescribed by the State Board, regarding applications subject
9 to Board jurisdiction.

10 (Source: P.A. 97-38, eff. 6-28-11; 97-277, eff. 1-1-12; 97-813,
11 eff. 7-13-12; 97-980, eff. 8-17-12; 98-414, eff. 1-1-14;
12 98-629, eff. 1-1-15; 98-651, eff. 6-16-14; 98-1086, eff.
13 8-26-14; revised 10-22-14.)

14 (20 ILCS 3960/5.4)

15 (Section scheduled to be repealed on December 31, 2019)

16 Sec. 5.4. Safety Net Impact Statement.

17 (a) General review criteria shall include a requirement
18 that all health care facilities, ~~with the exception of skilled~~
19 ~~and intermediate long term care facilities licensed under the~~
20 ~~Nursing Home Care Act,~~ provide a Safety Net Impact Statement,
21 which shall be filed with an application for a substantive
22 project or when the application proposes to discontinue a
23 category of service.

24 (b) For the purposes of this Section, "safety net services"
25 are services provided by health care providers or organizations

1 that deliver health care services to persons with barriers to
2 mainstream health care due to lack of insurance, inability to
3 pay, special needs, ethnic or cultural characteristics, or
4 geographic isolation. Safety net service providers include,
5 but are not limited to, hospitals and private practice
6 physicians that provide charity care, school-based health
7 centers, migrant health clinics, rural health clinics,
8 federally qualified health centers, community health centers,
9 public health departments, and community mental health
10 centers.

11 (c) As developed by the applicant, a Safety Net Impact
12 Statement shall describe all of the following:

13 (1) The project's material impact, if any, on essential
14 safety net services in the community, to the extent that it
15 is feasible for an applicant to have such knowledge.

16 (2) The project's impact on the ability of another
17 provider or health care system to cross-subsidize safety
18 net services, if reasonably known to the applicant.

19 (3) How the discontinuation of a facility or service
20 might impact the remaining safety net providers in a given
21 community, if reasonably known by the applicant.

22 (d) Safety Net Impact Statements shall also include all of
23 the following:

24 (1) For the 3 fiscal years prior to the application, a
25 certification describing the amount of charity care
26 provided by the applicant. The amount calculated by

1 hospital applicants shall be in accordance with the
2 reporting requirements for charity care reporting in the
3 Illinois Community Benefits Act. Non-hospital applicants
4 shall report charity care, at cost, in accordance with an
5 appropriate methodology specified by the Board.

6 (2) For the 3 fiscal years prior to the application, a
7 certification of the amount of care provided to Medicaid
8 patients. Hospital and non-hospital applicants shall
9 provide Medicaid information in a manner consistent with
10 the information reported each year to the State Board
11 regarding "Inpatients and Outpatients Served by Payor
12 Source" and "Inpatient and Outpatient Net Revenue by Payor
13 Source" as required by the Board under Section 13 of this
14 Act and published in the Annual Hospital Profile.

15 (3) Any information the applicant believes is directly
16 relevant to safety net services, including information
17 regarding teaching, research, and any other service.

18 (e) The Board staff shall publish a notice, that an
19 application accompanied by a Safety Net Impact Statement has
20 been filed, in a newspaper having general circulation within
21 the area affected by the application. If no newspaper has a
22 general circulation within the county, the Board shall post the
23 notice in 5 conspicuous places within the proposed area.

24 (f) Any person, community organization, provider, or
25 health system or other entity wishing to comment upon or oppose
26 the application may file a Safety Net Impact Statement Response

1 with the Board, which shall provide additional information
2 concerning a project's impact on safety net services in the
3 community.

4 (g) Applicants shall be provided an opportunity to submit a
5 reply to any Safety Net Impact Statement Response.

6 (h) The Board staff report shall include a statement as to
7 whether a Safety Net Impact Statement was filed by the
8 applicant and whether it included information on charity care,
9 the amount of care provided to Medicaid patients, and
10 information on teaching, research, or any other service
11 provided by the applicant directly relevant to safety net
12 services. The report shall also indicate the names of the
13 parties submitting responses and the number of responses and
14 replies, if any, that were filed.

15 (Source: P.A. 98-1086, eff. 8-26-14.)

16 (20 ILCS 3960/12) (from Ch. 111 1/2, par. 1162)

17 (Section scheduled to be repealed on December 31, 2019)

18 Sec. 12. Powers and duties of State Board. For purposes of
19 this Act, the State Board shall exercise the following powers
20 and duties:

21 (1) Prescribe rules, regulations, standards, criteria,
22 procedures or reviews which may vary according to the purpose
23 for which a particular review is being conducted or the type of
24 project reviewed and which are required to carry out the
25 provisions and purposes of this Act. Policies and procedures of

1 the State Board shall take into consideration the priorities
2 and needs of medically underserved areas and other health care
3 services identified through the comprehensive health planning
4 process, giving special consideration to the impact of projects
5 on access to safety net services.

6 (2) Adopt procedures for public notice and hearing on all
7 proposed rules, regulations, standards, criteria, and plans
8 required to carry out the provisions of this Act.

9 (3) (Blank).

10 (4) Develop criteria and standards for health care
11 facilities planning, conduct statewide inventories of health
12 care facilities, maintain an updated inventory on the Board's
13 web site reflecting the most recent bed and service changes and
14 updated need determinations when new census data become
15 available or new need formulae are adopted, and develop health
16 care facility plans which shall be utilized in the review of
17 applications for permit under this Act. Such health facility
18 plans shall be coordinated by the Board with pertinent State
19 Plans. Inventories pursuant to this Section ~~of skilled or~~
20 ~~intermediate care facilities licensed under the Nursing Home~~
21 ~~Care Act,~~ skilled or intermediate care facilities licensed
22 under the ID/DD Community Care Act or facilities licensed
23 under the Specialized Mental Health Rehabilitation Act, ~~or~~
24 ~~nursing homes licensed under the Hospital Licensing Act~~ shall
25 be conducted on an annual basis no later than July 1 of each
26 year and shall include among the information requested a list

1 of all services provided by a facility to its residents and to
2 the community at large and differentiate between active and
3 inactive beds.

4 In developing health care facility plans, the State Board
5 shall consider, but shall not be limited to, the following:

6 (a) The size, composition and growth of the population
7 of the area to be served;

8 (b) The number of existing and planned facilities
9 offering similar programs;

10 (c) The extent of utilization of existing facilities;

11 (d) The availability of facilities which may serve as
12 alternatives or substitutes;

13 (e) The availability of personnel necessary to the
14 operation of the facility;

15 (f) Multi-institutional planning and the establishment
16 of multi-institutional systems where feasible;

17 (g) The financial and economic feasibility of proposed
18 construction or modification; and

19 (h) In the case of health care facilities established
20 by a religious body or denomination, the needs of the
21 members of such religious body or denomination may be
22 considered to be public need.

23 The health care facility plans which are developed and
24 adopted in accordance with this Section shall form the basis
25 for the plan of the State to deal most effectively with
26 statewide health needs in regard to health care facilities.

1 (5) Coordinate with the Center for Comprehensive Health
2 Planning and other state agencies having responsibilities
3 affecting health care facilities, including those of licensure
4 and cost reporting. Beginning no later than January 1, 2013,
5 the Department of Public Health shall produce a written annual
6 report to the Governor and the General Assembly regarding the
7 development of the Center for Comprehensive Health Planning.
8 The Chairman of the State Board and the State Board
9 Administrator shall also receive a copy of the annual report.

10 (6) Solicit, accept, hold and administer on behalf of the
11 State any grants or bequests of money, securities or property
12 for use by the State Board or Center for Comprehensive Health
13 Planning in the administration of this Act; and enter into
14 contracts consistent with the appropriations for purposes
15 enumerated in this Act.

16 (7) The State Board shall prescribe procedures for review,
17 standards, and criteria which shall be utilized to make
18 periodic reviews and determinations of the appropriateness of
19 any existing health services being rendered by health care
20 facilities subject to the Act. The State Board shall consider
21 recommendations of the Board in making its determinations.

22 (8) Prescribe, in consultation with the Center for
23 Comprehensive Health Planning, rules, regulations, standards,
24 and criteria for the conduct of an expeditious review of
25 applications for permits for projects of construction or
26 modification of a health care facility, which projects are

1 classified as emergency, substantive, or non-substantive in
2 nature.

3 Six months after June 30, 2009 (the effective date of
4 Public Act 96-31), substantive projects shall include no more
5 than the following:

6 (a) Projects to construct (1) a new or replacement
7 facility located on a new site or (2) a replacement
8 facility located on the same site as the original facility
9 and the cost of the replacement facility exceeds the
10 capital expenditure minimum, which shall be reviewed by the
11 Board within 120 days;

12 (b) Projects proposing a (1) new service within an
13 existing healthcare facility or (2) discontinuation of a
14 service within an existing healthcare facility, which
15 shall be reviewed by the Board within 60 days; or

16 (c) Projects proposing a change in the bed capacity of
17 a health care facility by an increase in the total number
18 of beds or by a redistribution of beds among various
19 categories of service or by a relocation of beds from one
20 physical facility or site to another by more than 20 beds
21 or more than 10% of total bed capacity, as defined by the
22 State Board, whichever is less, over a 2-year period.

23 The Chairman may approve applications for exemption that
24 meet the criteria set forth in rules or refer them to the full
25 Board. The Chairman may approve any unopposed application that
26 meets all of the review criteria or refer them to the full

1 Board.

2 Such rules shall not abridge the right of the Center for
3 Comprehensive Health Planning to make recommendations on the
4 classification and approval of projects, nor shall such rules
5 prevent the conduct of a public hearing upon the timely request
6 of an interested party. Such reviews shall not exceed 60 days
7 from the date the application is declared to be complete.

8 (9) Prescribe rules, regulations, standards, and criteria
9 pertaining to the granting of permits for construction and
10 modifications which are emergent in nature and must be
11 undertaken immediately to prevent or correct structural
12 deficiencies or hazardous conditions that may harm or injure
13 persons using the facility, as defined in the rules and
14 regulations of the State Board. This procedure is exempt from
15 public hearing requirements of this Act.

16 (10) Prescribe rules, regulations, standards and criteria
17 for the conduct of an expeditious review, not exceeding 60
18 days, of applications for permits for projects to construct or
19 modify health care facilities which are needed for the care and
20 treatment of persons who have acquired immunodeficiency
21 syndrome (AIDS) or related conditions.

22 (11) Issue written decisions upon request of the applicant
23 or an adversely affected party to the Board. Requests for a
24 written decision shall be made within 15 days after the Board
25 meeting in which a final decision has been made. A "final
26 decision" for purposes of this Act is the decision to approve

1 or deny an application, or take other actions permitted under
2 this Act, at the time and date of the meeting that such action
3 is scheduled by the Board. State Board members shall provide
4 their rationale when voting on an item before the State Board
5 at a State Board meeting in order to comply with subsection (b)
6 of Section 3-108 of the Administrative Review Law of the Code
7 of Civil Procedure. The transcript of the State Board meeting
8 shall be incorporated into the Board's final decision. The
9 staff of the Board shall prepare a written copy of the final
10 decision and the Board shall approve a final copy for inclusion
11 in the formal record. The Board shall consider, for approval,
12 the written draft of the final decision no later than the next
13 scheduled Board meeting. The written decision shall identify
14 the applicable criteria and factors listed in this Act and the
15 Board's regulations that were taken into consideration by the
16 Board when coming to a final decision. If the Board denies or
17 fails to approve an application for permit or exemption, the
18 Board shall include in the final decision a detailed
19 explanation as to why the application was denied and identify
20 what specific criteria or standards the applicant did not
21 fulfill.

22 (12) Require at least one of its members to participate in
23 any public hearing, after the appointment of a majority of the
24 members to the Board.

25 (13) Provide a mechanism for the public to comment on, and
26 request changes to, draft rules and standards.

1 (14) Implement public information campaigns to regularly
2 inform the general public about the opportunity for public
3 hearings and public hearing procedures.

4 (15) (Blank). ~~Establish a separate set of rules and~~
5 ~~guidelines for long term care that recognizes that nursing~~
6 ~~homes are a different business line and service model from~~
7 ~~other regulated facilities. An open and transparent process~~
8 ~~shall be developed that considers the following: how skilled~~
9 ~~nursing fits in the continuum of care with other care~~
10 ~~providers, modernization of nursing homes, establishment of~~
11 ~~more private rooms, development of alternative services, and~~
12 ~~current trends in long term care services. The Chairman of the~~
13 ~~Board shall appoint a permanent Health Services Review Board~~
14 ~~Long term Care Facility Advisory Subcommittee that shall~~
15 ~~develop and recommend to the Board the rules to be established~~
16 ~~by the Board under this paragraph (15). The Subcommittee shall~~
17 ~~also provide continuous review and commentary on policies and~~
18 ~~procedures relative to long term care and the review of related~~
19 ~~projects. In consultation with other experts from the health~~
20 ~~field of long term care, the Board and the Subcommittee shall~~
21 ~~study new approaches to the current bed need formula and Health~~
22 ~~Service Area boundaries to encourage flexibility and~~
23 ~~innovation in design models reflective of the changing~~
24 ~~long term care marketplace and consumer preferences. The~~
25 ~~Subcommittee shall evaluate, and make recommendations to the~~
26 ~~State Board regarding, the buying, selling, and exchange of~~

1 ~~beds between long term care facilities within a specified~~
2 ~~geographic area or drive time. The Board shall file the~~
3 ~~proposed related administrative rules for the separate rules~~
4 ~~and guidelines for long term care required by this paragraph~~
5 ~~(15) by no later than September 30, 2011. The Subcommittee~~
6 ~~shall be provided a reasonable and timely opportunity to review~~
7 ~~and comment on any review, revision, or updating of the~~
8 ~~criteria, standards, procedures, and rules used to evaluate~~
9 ~~project applications as provided under Section 12.3 of this~~
10 ~~Act.~~

11 (16) Prescribe and provide forms pertaining to the State
12 Board Staff Report. A State Board Staff Report shall pertain to
13 applications that include, but are not limited to, applications
14 for permit or exemption, applications for permit renewal,
15 applications for extension of the obligation period,
16 applications requesting a declaratory ruling, or applications
17 under the Health Care Worker Self-Referral ~~Self-Referral~~ Act.
18 State Board Staff Reports shall compare applications to the
19 relevant review criteria under the Board's rules.

20 (17) ~~(16)~~ Establish a separate set of rules and guidelines
21 for facilities licensed under the Specialized Mental Health
22 Rehabilitation Act of 2013. An application for the
23 re-establishment of a facility in connection with the
24 relocation of the facility shall not be granted unless the
25 applicant has a contractual relationship with at least one
26 hospital to provide emergency and inpatient mental health

1 services required by facility consumers, and at least one
2 community mental health agency to provide oversight and
3 assistance to facility consumers while living in the facility,
4 and appropriate services, including case management, to assist
5 them to prepare for discharge and reside stably in the
6 community thereafter. No new facilities licensed under the
7 Specialized Mental Health Rehabilitation Act of 2013 shall be
8 established after June 16, 2014 (the effective date of Public
9 Act 98-651) ~~this amendatory Act of the 98th General Assembly~~
10 except in connection with the relocation of an existing
11 facility to a new location. An application for a new location
12 shall not be approved unless there are adequate community
13 services accessible to the consumers within a reasonable
14 distance, or by use of public transportation, so as to
15 facilitate the goal of achieving maximum individual self-care
16 and independence. At no time shall the total number of
17 authorized beds under this Act in facilities licensed under the
18 Specialized Mental Health Rehabilitation Act of 2013 exceed the
19 number of authorized beds on June 16, 2014 (the effective date
20 of Public Act 98-651) ~~this amendatory Act of the 98th General~~
21 ~~Assembly.~~

22 (Source: P.A. 97-38, eff. 6-28-11; 97-227, eff. 1-1-12; 97-813,
23 eff. 7-13-12; 97-1045, eff. 8-21-13; 97-1115, eff. 8-27-12;
24 98-414, eff. 1-1-14; 98-463, eff. 8-16-13; 98-651, eff.
25 6-16-14; 98-1086, eff. 8-26-14; revised 10-1-14.)

1 (20 ILCS 3960/13) (from Ch. 111 1/2, par. 1163)

2 (Section scheduled to be repealed on December 31, 2019)

3 Sec. 13. Investigation of applications for permits and
4 certificates of recognition. The State Board shall make or
5 cause to be made such investigations as it deems necessary in
6 connection with an application for a permit or an application
7 for a certificate of recognition, or in connection with a
8 determination of whether or not construction or modification
9 which has been commenced is in accord with the permit issued by
10 the State Board or whether construction or modification has
11 been commenced without a permit having been obtained. The State
12 Board may issue subpoenas duces tecum requiring the production
13 of records and may administer oaths to such witnesses.

14 Any circuit court of this State, upon the application of
15 the State Board or upon the application of any party to such
16 proceedings, may, in its discretion, compel the attendance of
17 witnesses, the production of books, papers, records, or
18 memoranda and the giving of testimony before the State Board,
19 by a proceeding as for contempt, or otherwise, in the same
20 manner as production of evidence may be compelled before the
21 court.

22 The State Board shall require all health facilities
23 operating in this State to provide such reasonable reports at
24 such times and containing such information as is needed by it
25 to carry out the purposes and provisions of this Act. Prior to
26 collecting information from health facilities, the State Board

1 shall make reasonable efforts through a public process to
2 consult with health facilities and associations that represent
3 them to determine whether data and information requests will
4 result in useful information for health planning, whether
5 sufficient information is available from other sources, and
6 whether data requested is routinely collected by health
7 facilities and is available without retrospective record
8 review. Data and information requests shall not impose undue
9 paperwork burdens on health care facilities and personnel.
10 Health facilities not complying with this requirement shall be
11 reported to licensing, accrediting, certifying, or payment
12 agencies as being in violation of State law. Health care
13 facilities and other parties at interest shall have reasonable
14 access, under rules established by the State Board, to all
15 planning information submitted in accord with this Act
16 pertaining to their area.

17 Among the reports to be required by the State Board are
18 facility questionnaires for health care facilities licensed
19 under the Ambulatory Surgical Treatment Center Act, the
20 Hospital Licensing Act, ~~the Nursing Home Care Act,~~ the ID/DD
21 Community Care Act, the Specialized Mental Health
22 Rehabilitation Act, or the End Stage Renal Disease Facility
23 Act. These questionnaires shall be conducted on an annual basis
24 and compiled by the State Board. For health care facilities
25 licensed under ~~the Nursing Home Care Act or~~ the Specialized
26 Mental Health Rehabilitation Act, these reports shall include,

1 but not be limited to, the identification of specialty services
2 provided by the facility to patients, residents, and the
3 community at large. Annual reports for facilities licensed
4 under the ID/DD Community Care Act shall be different from the
5 annual reports required of other health care facilities and
6 shall be specific to those facilities licensed under the ID/DD
7 Community Care Act. The Health Facilities and Services Review
8 Board shall consult with associations representing facilities
9 licensed under the ID/DD Community Care Act when developing the
10 information requested in these annual reports. For health care
11 facilities that contain long term care beds, the reports shall
12 also include the number of staffed long term care beds,
13 physical capacity for long term care beds at the facility, and
14 long term care beds available for immediate occupancy. For
15 purposes of this paragraph, "long term care beds" means beds
16 (i) ~~licensed under the Nursing Home Care Act,~~ (ii) licensed
17 under the ID/DD Community Care Act, (ii) ~~(iii)~~ licensed under
18 the Hospital Licensing Act, or (iii) ~~(iv)~~ licensed under the
19 Specialized Mental Health Rehabilitation Act and certified as
20 skilled nursing or nursing facility beds under Medicaid or
21 Medicare.

22 (Source: P.A. 97-38, eff. 6-28-11; 97-227, eff. 1-1-12; 97-813,
23 eff. 7-13-12; 97-980, eff. 8-17-12; 98-1086, eff. 8-26-14.)

24 (20 ILCS 3960/14.1)

25 Sec. 14.1. Denial of permit; other sanctions.

1 (a) The State Board may deny an application for a permit or
2 may revoke or take other action as permitted by this Act with
3 regard to a permit as the State Board deems appropriate,
4 including the imposition of fines as set forth in this Section,
5 for any one or a combination of the following:

6 (1) The acquisition of major medical equipment without
7 a permit or in violation of the terms of a permit.

8 (2) The establishment, construction, or modification
9 of a health care facility without a permit or in violation
10 of the terms of a permit.

11 (3) The violation of any provision of this Act or any
12 rule adopted under this Act.

13 (4) The failure, by any person subject to this Act, to
14 provide information requested by the State Board or Agency
15 within 30 days after a formal written request for the
16 information.

17 (5) The failure to pay any fine imposed under this
18 Section within 30 days of its imposition.

19 (a-5) For facilities licensed under the ID/DD Community
20 Care Act, no permit shall be denied on the basis of prior
21 operator history, other than for actions specified under item
22 (2), (4), or (5) of Section 3-117 of the ID/DD Community Care
23 Act. For facilities licensed under the Specialized Mental
24 Health Rehabilitation Act, no permit shall be denied on the
25 basis of prior operator history, other than for actions
26 specified under item (2), (4), or (5) of Section 3-117 of the

1 Specialized Mental Health Rehabilitation Act. ~~For facilities~~
2 ~~licensed under the Nursing Home Care Act, no permit shall be~~
3 ~~denied on the basis of prior operator history, other than for:~~
4 ~~(i) actions specified under item (2), (3), (4), (5), or (6) of~~
5 ~~Section 3-117 of the Nursing Home Care Act; (ii) actions~~
6 ~~specified under item (a)(6) of Section 3-119 of the Nursing~~
7 ~~Home Care Act; or (iii) actions within the preceding 5 years~~
8 ~~constituting a substantial and repeated failure to comply with~~
9 ~~the Nursing Home Care Act or the rules and regulations adopted~~
10 ~~by the Department under that Act. The State Board shall not~~
11 ~~deny a permit on account of any action described in this~~
12 ~~subsection (a-5) without also considering all such actions in~~
13 ~~the light of all relevant information available to the State~~
14 ~~Board, including whether the permit is sought to substantially~~
15 ~~comply with a mandatory or voluntary plan of correction~~
16 ~~associated with any action described in this subsection (a-5).~~

17 (b) Persons shall be subject to fines as follows:

18 (1) A permit holder who fails to comply with the
19 requirements of maintaining a valid permit shall be fined
20 an amount not to exceed 1% of the approved permit amount
21 plus an additional 1% of the approved permit amount for
22 each 30-day period, or fraction thereof, that the violation
23 continues.

24 (2) A permit holder who alters the scope of an approved
25 project or whose project costs exceed the allowable permit
26 amount without first obtaining approval from the State

1 Board shall be fined an amount not to exceed the sum of (i)
2 the lesser of \$25,000 or 2% of the approved permit amount
3 and (ii) in those cases where the approved permit amount is
4 exceeded by more than \$1,000,000, an additional \$20,000 for
5 each \$1,000,000, or fraction thereof, in excess of the
6 approved permit amount.

7 (2.5) A permit holder who fails to comply with the
8 post-permit and reporting requirements set forth in
9 Section 5 shall be fined an amount not to exceed \$10,000
10 plus an additional \$10,000 for each 30-day period, or
11 fraction thereof, that the violation continues. This fine
12 shall continue to accrue until the date that (i) the
13 post-permit requirements are met and the post-permit
14 reports are received by the State Board or (ii) the matter
15 is referred by the State Board to the State Board's legal
16 counsel. The accrued fine is not waived by the permit
17 holder submitting the required information and reports.
18 Prior to any fine beginning to accrue, the Board shall
19 notify, in writing, a permit holder of the due date for the
20 post-permit and reporting requirements no later than 30
21 days before the due date for the requirements. This
22 paragraph (2.5) takes effect 6 months after August 27, 2012
23 (the effective date of Public Act 97-1115).

24 (3) A person who acquires major medical equipment or
25 who establishes a category of service without first
26 obtaining a permit or exemption, as the case may be, shall

1 be fined an amount not to exceed \$10,000 for each such
2 acquisition or category of service established plus an
3 additional \$10,000 for each 30-day period, or fraction
4 thereof, that the violation continues.

5 (4) A person who constructs, modifies, or establishes a
6 health care facility without first obtaining a permit shall
7 be fined an amount not to exceed \$25,000 plus an additional
8 \$25,000 for each 30-day period, or fraction thereof, that
9 the violation continues.

10 (5) A person who discontinues a health care facility or
11 a category of service without first obtaining a permit
12 shall be fined an amount not to exceed \$10,000 plus an
13 additional \$10,000 for each 30-day period, or fraction
14 thereof, that the violation continues. For purposes of this
15 subparagraph (5), facilities licensed under the ~~Nursing~~
16 ~~Home Care Act~~ or the ID/DD Community Care Act, with the
17 exceptions of facilities operated by a county or Illinois
18 Veterans Homes, are exempt from this permit requirement.
19 However, facilities licensed under the ~~Nursing Home Care~~
20 ~~Act~~ or the ID/DD Community Care Act must comply with
21 ~~Section 3-423 of the Nursing Home Care Act~~ or Section 3-423
22 of the ID/DD Community Care Act and must provide the Board
23 and the Department of Human Services with 30 days' written
24 notice of its intent to close. Facilities licensed under
25 the ID/DD Community Care Act also must provide the Board
26 and the Department of Human Services with 30 days' written

1 notice of its intent to reduce the number of beds for a
2 facility.

3 (6) A person subject to this Act who fails to provide
4 information requested by the State Board or Agency within
5 30 days of a formal written request shall be fined an
6 amount not to exceed \$1,000 plus an additional \$1,000 for
7 each 30-day period, or fraction thereof, that the
8 information is not received by the State Board or Agency.

9 (c) Before imposing any fine authorized under this Section,
10 the State Board shall afford the person or permit holder, as
11 the case may be, an appearance before the State Board and an
12 opportunity for a hearing before a hearing officer appointed by
13 the State Board. The hearing shall be conducted in accordance
14 with Section 10.

15 (d) All fines collected under this Act shall be transmitted
16 to the State Treasurer, who shall deposit them into the
17 Illinois Health Facilities Planning Fund.

18 (Source: P.A. 97-38, eff. 6-28-11; 97-227, eff. 1-1-12; 97-813,
19 eff. 7-13-12; 97-980, eff. 8-17-12; 97-1115, eff. 8-27-12;
20 98-463, eff. 8-16-13.)

21 Section 10. The Nursing Home Care Act is amended by
22 changing Sections 3-102.2 and 3-103 as follows:

23 (210 ILCS 45/3-102.2)

24 Sec. 3-102.2. Supported congregate living arrangement

1 demonstration. The Illinois Department may grant no more than 3
2 waivers from the requirements of this Act for facilities
3 participating in the supported congregate living arrangement
4 demonstration. A joint waiver request must be made by an
5 applicant and the Department on Aging. If the Department on
6 Aging does not act upon an application within 60 days, the
7 applicant may submit a written waiver request on its own
8 behalf. The waiver request must include a specific program plan
9 describing the types of residents to be served and the services
10 that will be provided in the facility. The Department shall
11 conduct an on-site review at each facility annually or as often
12 as necessary to ascertain compliance with the program plan. The
13 Department may revoke the waiver if it determines that the
14 facility is not in compliance with the program plan. Nothing in
15 this Section prohibits the Department from conducting
16 complaint investigations.

17 ~~A facility granted a waiver under this Section is not~~
18 ~~subject to the Illinois Health Facilities Planning Act, unless~~
19 ~~it subsequently applies for a certificate of need to convert to~~
20 ~~a nursing facility. A facility applying for conversion shall~~
21 ~~meet the licensure and certificate of need requirements in~~
22 ~~effect as of the date of application, and this provision may~~
23 ~~not be waived.~~

24 (Source: P.A. 89-530, eff. 7-19-96.)

25 (210 ILCS 45/3-103) (from Ch. 111 1/2, par. 4153-103)

1 Sec. 3-103. The procedure for obtaining a valid license
2 shall be as follows:

3 (1) Application to operate a facility shall be made to
4 the Department on forms furnished by the Department.

5 (2) All license applications shall be accompanied with
6 an application fee. The fee for an annual license shall be
7 \$1,990. Facilities that pay a fee or assessment pursuant to
8 Article V-C of the Illinois Public Aid Code shall be exempt
9 from the license fee imposed under this item (2). The fee
10 for a 2-year license shall be double the fee for the annual
11 license. The fees collected shall be deposited with the
12 State Treasurer into the Long Term Care Monitor/Receiver
13 Fund, which has been created as a special fund in the State
14 treasury. This special fund is to be used by the Department
15 for expenses related to the appointment of monitors and
16 receivers as contained in Sections 3-501 through 3-517 of
17 this Act, for the enforcement of this Act, for expenses
18 related to surveyor development, and for implementation of
19 the Abuse Prevention Review Team Act. All federal moneys
20 received as a result of expenditures from the Fund shall be
21 deposited into the Fund. The Department may reduce or waive
22 a penalty pursuant to Section 3-308 only if that action
23 will not threaten the ability of the Department to meet the
24 expenses required to be met by the Long Term Care
25 Monitor/Receiver Fund. The application shall be under oath
26 and the submission of false or misleading information shall

1 be a Class A misdemeanor. The application shall contain the
2 following information:

3 (a) The name and address of the applicant if an
4 individual, and if a firm, partnership, or
5 association, of every member thereof, and in the case
6 of a corporation, the name and address thereof and of
7 its officers and its registered agent, and in the case
8 of a unit of local government, the name and address of
9 its chief executive officer;

10 (b) The name and location of the facility for which
11 a license is sought;

12 (c) The name of the person or persons under whose
13 management or supervision the facility will be
14 conducted;

15 (d) The number and type of residents for which
16 maintenance, personal care, or nursing is to be
17 provided; and

18 (e) Such information relating to the number,
19 experience, and training of the employees of the
20 facility, any management agreements for the operation
21 of the facility, and of the moral character of the
22 applicant and employees as the Department may deem
23 necessary.

24 (3) Each initial application shall be accompanied by a
25 financial statement setting forth the financial condition
26 of the applicant and by a statement from the unit of local

1 government having zoning jurisdiction over the facility's
2 location stating that the location of the facility is not
3 in violation of a zoning ordinance. ~~An initial application~~
4 ~~for a new facility shall be accompanied by a permit as~~
5 ~~required by the "Illinois Health Facilities Planning Act".~~
6 After the application is approved, the applicant shall
7 advise the Department every 6 months of any changes in the
8 information originally provided in the application.

9 (4) Other information necessary to determine the
10 identity and qualifications of an applicant to operate a
11 facility in accordance with this Act shall be included in
12 the application as required by the Department in
13 regulations.

14 (Source: P.A. 96-758, eff. 8-25-09; 96-1372, eff. 7-29-10;
15 96-1504, eff. 1-27-11; 96-1530, eff. 2-16-11; 97-489, eff.
16 1-1-12.)